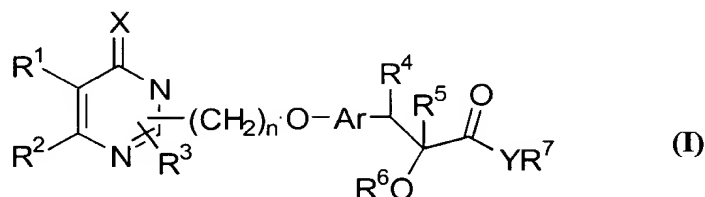


1. (Currently amended) A compound of formula (I)



2

an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R⁵; R⁵ represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R⁵ forms a bond together with R⁴; R⁶ represents hydrogen, an unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxy, carbonyl, alkylaminocarbonyl, arylamino-carbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, with a provision that R⁶ does not represent hydrogen when R⁷ represents hydrogen or lower alkyl group; R⁷ represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and Y represents oxygen or NR⁸, where R⁸ represents hydrogen, alkyl, aryl, hydroxyalkyl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups; or R⁷ and R⁸ together may form a 5 or 6 membered cyclic structure containing carbon atoms, which may optionally contain one or more heteroatoms selected from oxygen, sulfur or nitrogen.

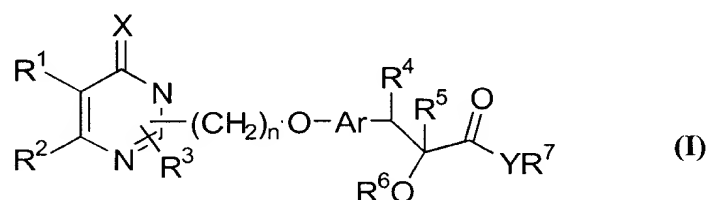
2. (Currently amended) A compound of formula (I) according to claim 1, wherein the ~~groups~~ group represented by R¹, R² and the group R³ when attached to carbon atom ~~are~~ is substituted, the substituents are selected from halogen, hydroxy, or nitro, ~~or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, aralkoxyalkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, arylamino, aminoalkyl, aryloxy, aralkoxy, alkoxycarbonyl, alkylamino, alkoxyalkyl, alkylthio, thioalkyl groups, carboxylic acid or its derivatives~~ amides, or sulfonic acid or SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃ ~~its derivatives~~.

3. (Previously presented) A compound of formula (I) according to claim 1, wherein substituents on the group R³ when attached to nitrogen are selected from halogen, hydroxy, acyl, acyloxy, or amino groups.

4. (Cancel)

5. (Currently amended) A compound of formula (I) according to claim 1 wherein substituents on the group represented by R⁶ are selected from halogen, hydroxy, or nitro or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cyclo-alkoxy, aryl, aralkyl, aralkoxyalkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, arylamino, aminoalkyl, aryloxy, alkoxycarbonyl, alkyl-amino, alkoxyalkyl, alkylthio, thioalkyl groups, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃.

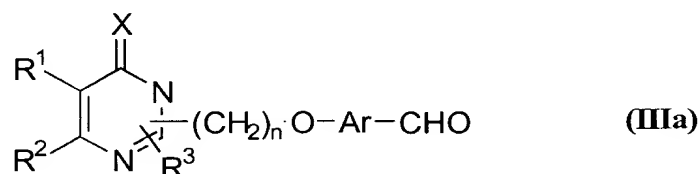
6. (Currently amended) A process for the preparation of a compound of formula (I)



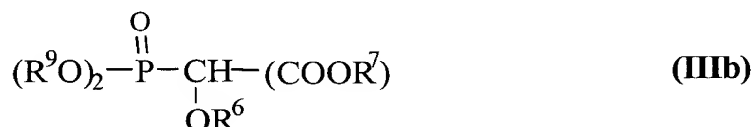
where X represents O or S; R³ when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, hetero-cyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy,

alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO_2NH_2 , SO_2NHMe , SO_2NMe_2 , or SO_2NHCF_3 ; the linking group represented by $-(\text{CH}_2)_n\text{-O-}$ may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R^4 and R^5 together represent a bond; R^6 represents hydrogen, or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, hetero-aryl, or heteroaralkyl groups, with a provision that R^6 does not represent hydrogen when R^7 represents hydrogen or lower alkyl group; R^7 represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and Y represents oxygen atom, which comprises:

- a) reacting a compound of formula (IIIa)

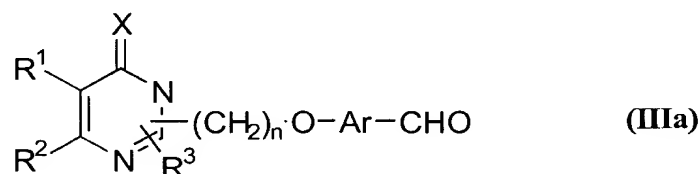


where all symbols are as defined above with a compound of formula (IIIb)



where R^6 , R^7 are as defined above excluding hydrogen and R^9 represents $(\text{C}_1\text{-C}_6)\text{alkyl}$, to yield compound of formula (I) defined above; or

- b) reacting the compound of formula (IIIa)

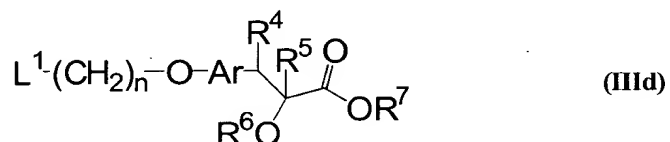


where all symbols are as defined earlier with Wittig reagents; or

c) reacting a compound of formula (IIIc)



where all symbols are as defined above with a compound of formula (III d)

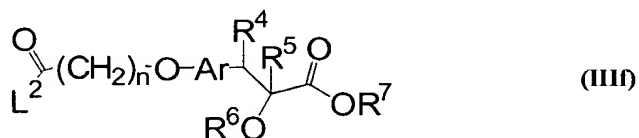


where R⁴, R⁵ together represent a bond, and all other symbols are as defined above and L¹ is a leaving group to produce a compound of formula (I) defined above, where the linker group -(CH₂)_n-O- is attached to nitrogen atom ; or

d) reacting a compound of formula (IIIe)

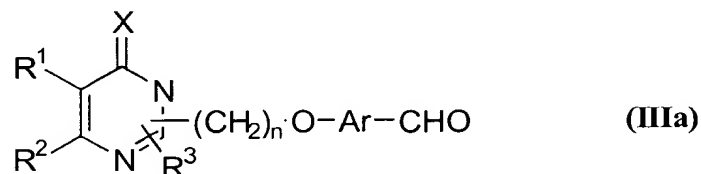


where all symbols are as defined above with a compound of formula (III f)

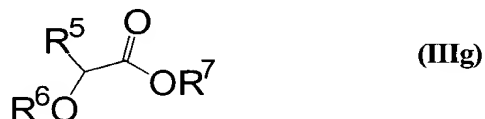


where R^4 , R^5 together represent a bond, L^2 is a leaving group and other symbols are as defined above, to produce a compound of formula (I) defined above, where the linker group $-(CH_2)_n-O-$ is attached to carbon atom; or

e) reacting a compound of formula (IIIa)

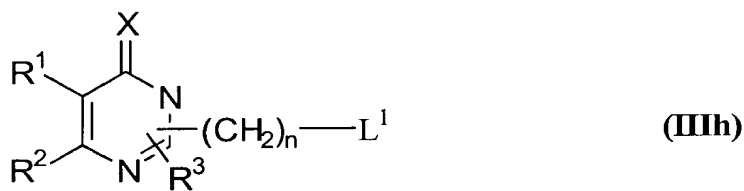


where all other symbols are as defined above with a compound of formula (IIIg)

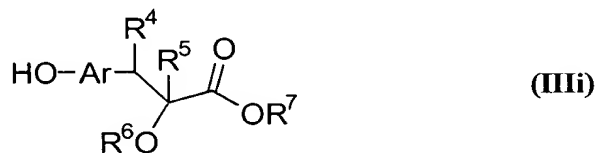


where R^5 is hydrogen and all other symbols are as defined above to yield a compound of formula (I) as defined above after dehydration; or

f) reacting a compound of formula (IIIh)

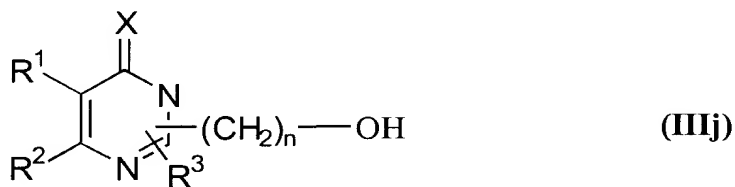


where all symbols are as defined earlier and L^1 represents a leaving group, with compound of formula (IIIi)

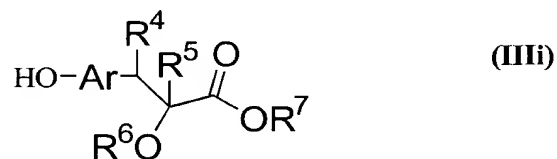


where R⁴ and R⁵ together represent a bond and all other symbols are as defined above to produce a compound of the formula (I) defined above; or

g) reacting a compound of formula (IIIj)

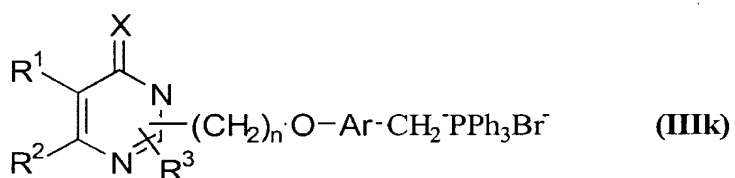


where all symbols are as defined above with a compound of general formula (IIIi)

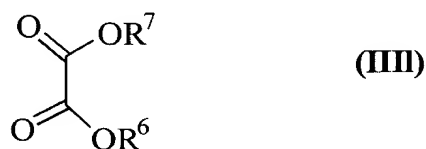


where R⁴ and R⁵ together represent a bond and all other symbols are as defined above to produce a compound of formula (I) defined above; or

h) reacting a compound of formula (IIIk)

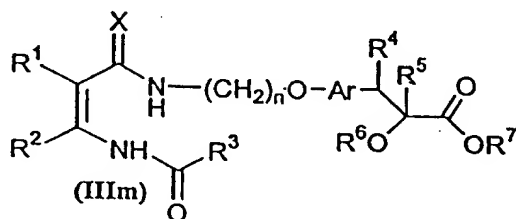


where all symbols are as defined above with a compound of formula (III)



where $R^6 = R^7$ and are as defined above excluding hydrogen to produce a compound of the formula (I); or

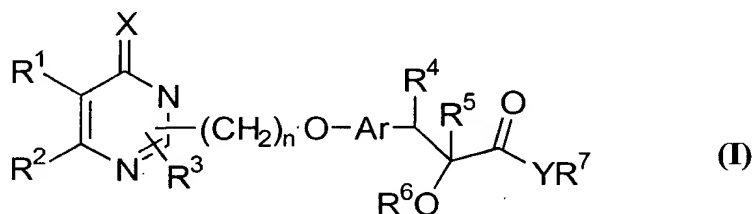
- i) cyclising a compound of formula (IIIIm)



where R^4 and R^5 together represent a bond, R^7 is as defined above excluding hydrogen and all other symbols are as defined above to produce a compound of formula (I) defined above where the linking group $-(CH_2)_n-O-$ is attached to nitrogen atom and if desired;

- j) converting the ~~compounds~~ compound of formula (I) obtained in any of the processes described above into a pharmaceutically acceptable ~~salts~~ salt or a pharmaceutically acceptable ~~solvates~~ solvate.

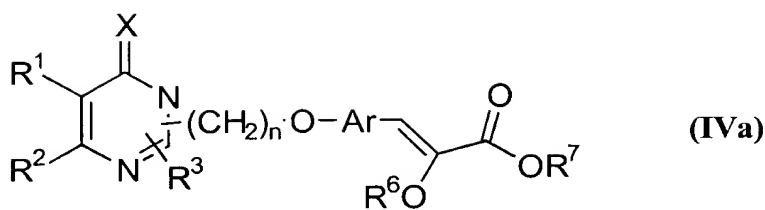
7. (Currently amended) A process for the preparation of a compound of formula (I)



where X represents O or S; R^3 when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl,

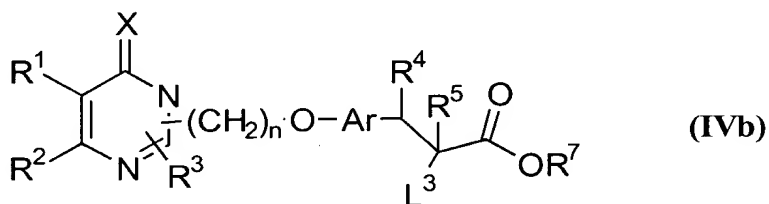
heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxy carbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxy carbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxycarbonyl, aryloxy carbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by -(CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group; R⁵ represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl group; R⁶ represents hydrogen, or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxy carbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, with a provision that R⁶ does not represent hydrogen when R⁷ represents hydrogen or lower alkyl group; R⁷ represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and Y represents oxygen atom, which comprises:

- a) reducing a compound of formula (IVa)



where all symbols are as defined earlier, the compound of formula (IVa) represents a compound of formula (I) where R^4 and R^5 together represent a bond and Y represent oxygen atom and all other symbols are as defined above, to yield a compound of the formula (I) where R^4 and R^5 each represent hydrogen atom and all symbols are as defined above; or

b) reacting a compound of formula (IVb)

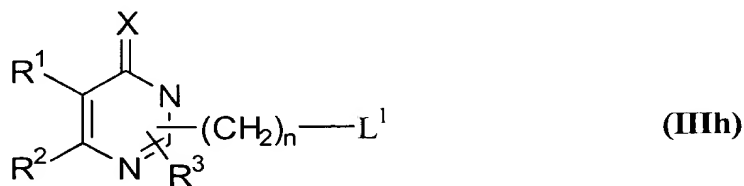


where all symbols are as defined above, R^7 is as defined above excluding hydrogen and L^3 is a leaving group with an alcohol of formula (IVc),

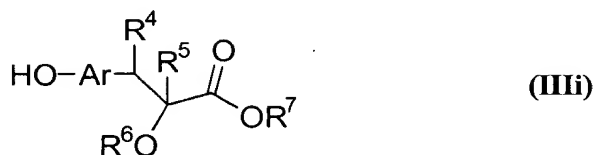


where R^6 represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxy carbonyl, aryloxy carbonyl, alkylamino-carbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups to produce a compound of the formula (I) defined above; or

c) reacting a compound of formula (IIIh)

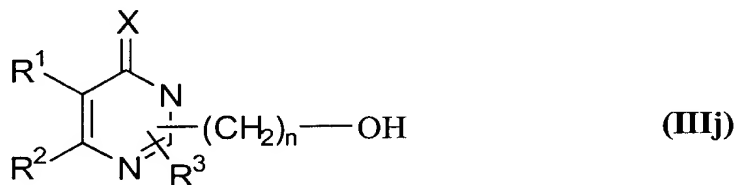


where L^1 is a leaving group and all other symbols are as defined above with a compound of formula (IIIi)

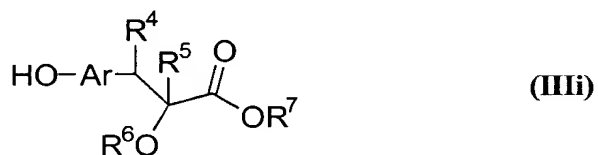


where all symbols are as defined earlier to produce a compound of the formula (I) defined above; or

d) reacting a compound of formula (IIIj)

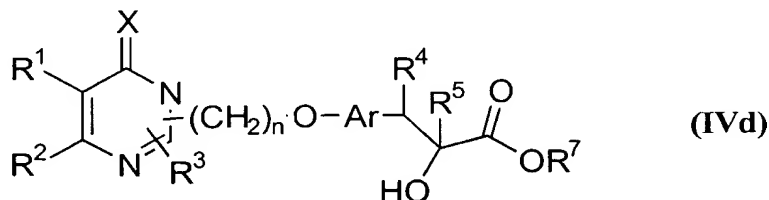


where all symbols are as defined above with a compound of formula (IIIi)



where all symbols are as defined earlier to produce a compound of the formula (I) defined above; or

e) reacting a compound of formula (IVd)

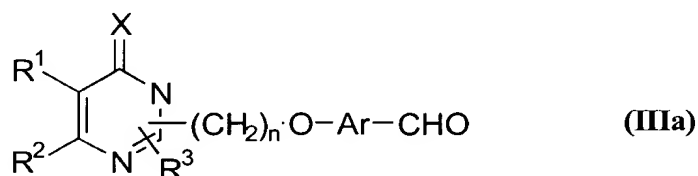


which represents a compound of formula (I) where R^6 represents hydrogen atom and all other symbols are as defined above with a compound of formula (IVe)



where R^6 represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxy carbonyl, alkylamino-carbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and L^3 is a leaving group to produce a compound of formula (I) defined above; or

f) reacting a compound of the formula (IIIa)



where all symbols are as defined above with a compound of formula (IIIg)

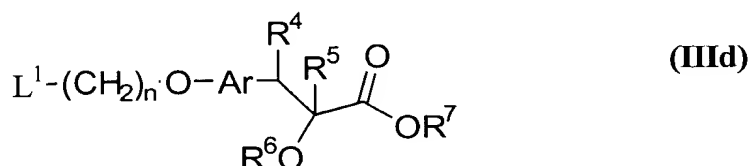


where R^5 is hydrogen and all other symbols are as defined above to yield a compound of formula (I) as defined above after dehydroxylation; or

g) reacting a compound of formula (IIIc)



where all symbols are as defined above with a compound of formula (IIId)

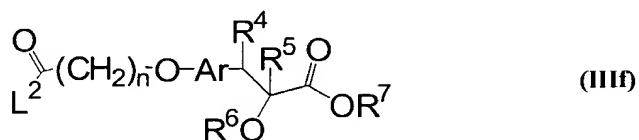


where L^1 is a leaving group and all other symbols are as defined above to produce a compound of formula (I) defined above, where the linker group $-(CH_2)_n-O-$ is attached to nitrogen atom; or

h) reacting a compound of formula (IIIe)

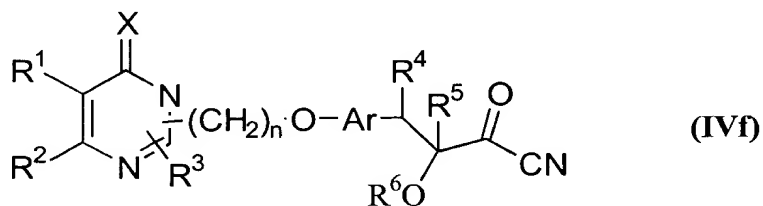


where all symbols are as defined above with a compound of formula (IIIIf)



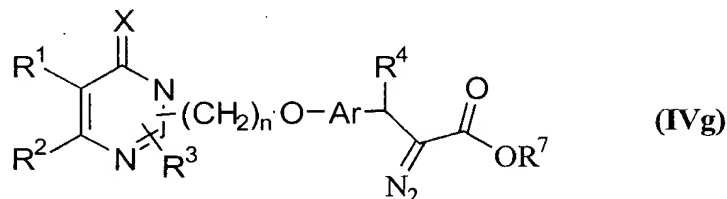
where all symbols are as defined above, and L^2 is a leaving group to produce a compound of formula (I) defined above, where the linker group $-(CH_2)_n-O-$ is attached to carbon atom; or

i) converting a compound of formula (IVf)



where all symbols are as defined above to a compound of formula (I) defined above;
or

j) reacting a compound of formula (IVg)

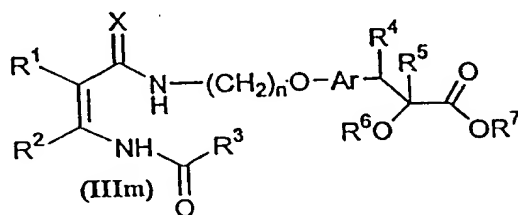


where R⁷ is as defined above excluding hydrogen and all other symbols are as defined above with a compound of formula (IVc)



where R⁶ represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxy carbonyl, alkylamino- carbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups to produce a compound of formula (I); or

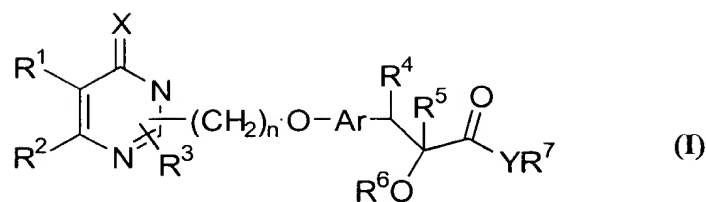
k) cyclising a compound of formula (IIIIm)



where R⁷ is as defined above excluding hydrogen and all other symbols are as defined above to produce a compound of formula (I) defined above where the linking group -(CH₂)_n-O- is attached to nitrogen atom and if desired;

l) converting the ~~compounds~~ compound of formula (I) obtained in any of the processes described above into a pharmaceutically acceptable salts salt or a pharmaceutically acceptable ~~solvates~~ solvate.

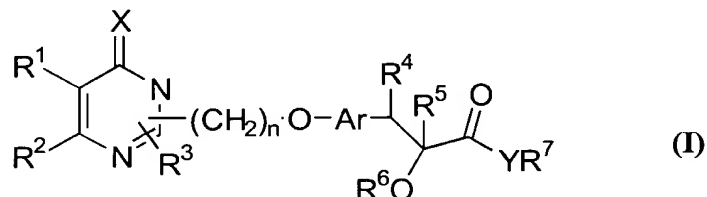
8. (Currently amended) A process for the preparation of a compound of formula (I)



where X represents O or S; R³ when present on carbon atom represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxy-carbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkyl-amino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by - (CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1–4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R⁵; R⁵ represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R⁵ forms a bond together with R⁴; R⁶ represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylamino-carbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, R⁷ represents

hydrogen and Y represents oxygen atom, which comprises: hydrolising a compound of formula (I) as defined in claim 6, where R^7 represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and all other symbols are as defined earlier.

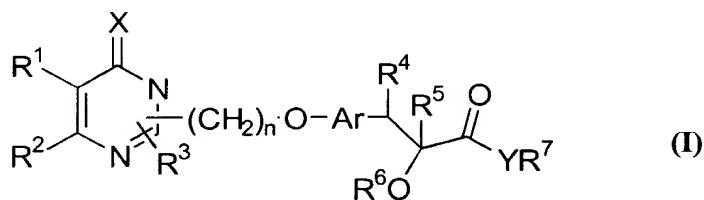
9. (Currently amended) A process for the preparation of a compound of formula (I)



where X represents O or S; R^3 when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO_2NH_2 , SO_2NHMe , SO_2NMe_2 , or SO_2NHCF_3 ; R^1 and R^2 along with the adjacent atoms to which they are attached form a phenyl group; R^3 when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxy-carbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxy-alkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO_2NH_2 , SO_2NHMe , SO_2NMe_2 , or SO_2NHCF_3 ; the linking group represented by $-(CH_2)_n-O-$ may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted

or substituted divalent phenylene group; R^4 represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R^5 ; R^5 represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R^5 forms a bond together with R^4 ; R^6 represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, heteroaralkyl groups, with a provision that R^6 does not represent hydrogen when R^7 represents hydrogen or lower alkyl group; R^7 represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and Y represents NR^8 , where R^8 represents hydrogen, or unsubstituted or substituted alkyl, aryl, hydroxyalkyl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups; or R^7 and R^8 together may form a 5 or 6 membered cyclic structure containing carbon atoms, which may optionally contain one or more heteroatoms selected from oxygen, sulfur or nitrogen, which comprises:

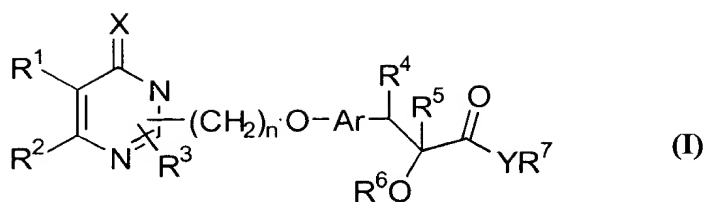
- a) reacting a compound of formula (I)



where all symbols are as defined above and Y represents oxygen and R^7 represents hydrogen or a lower alkyl group or YR^7 represents a halogen atom, or $COYR^7$ represents a mixed anhydride group with appropriate amines of the formula NHR^7R^8 , where R^7 and R^8 are as defined earlier and if desired;

- b) converting the compound of formula (I) obtained above into a pharmaceutically acceptable ~~salts~~ salt or a pharmaceutically acceptable ~~solvents~~ solvate.

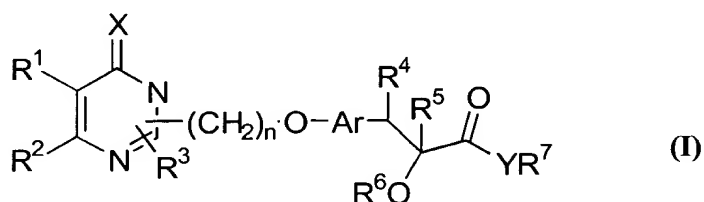
10. (Currently amended) A compound of formula (I)



where X represents O or S; R³ when present on a carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxy-carbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxy-alkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by -(CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ and R⁵ together represent a bond; R⁶ represents hydrogen, or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylamino-carbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, with a provision that R⁶ does not represent hydrogen when R⁷ represents hydrogen or lower alkyl group; R⁷ represents hydrogen or unsubstituted or

substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl groups and Y represents oxygen atom, prepared according to the process of claim 6.

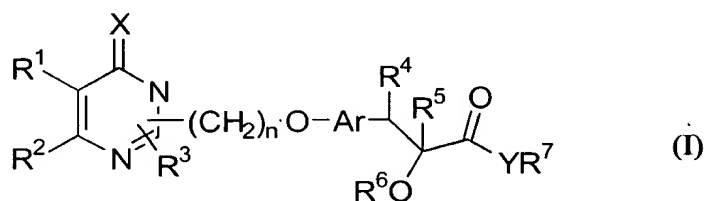
11. (Currently amended) A compound of formula (I)



where X represents O or S; R³ when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxy-carbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxy-alkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by -(CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted

or substituted divalent phenylene group; R^4 represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, or unsubstituted or substituted aralkyl group; R^5 represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, or unsubstituted or substituted aralkyl; R^6 represents hydrogen, or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, with a provision that R^6 does not represent hydrogen when R^7 represents hydrogen or lower alkyl group; R^7 represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl groups and Y represents oxygen atom, prepared according to the process of claim 7.

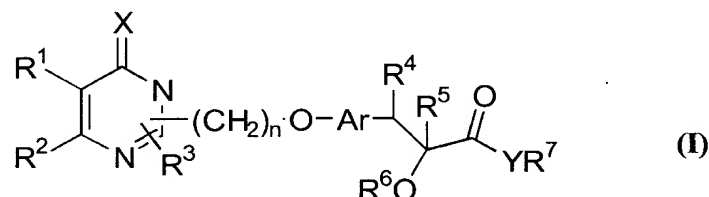
12. (Currently amended) A compound of formula (I)



where X represents O or S; R^3 when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R^1 and R^2 along with the adjacent atoms to which they are attached form a phenyl group; R^3 when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy,

hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxy-carbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxy-alkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO_2NH_2 , SO_2NHMe , SO_2NMe_2 , or SO_2NHCF_3 ; the linking group represented by $-(\text{CH}_2)_n\text{-O-}$ may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R^4 represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R^5 ; R^5 represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R^5 forms a bond together with R^4 ; R^6 represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, R^7 represents hydrogen, and Y represents oxygen prepared according to the process of claim 8.

13. (Currently amended) A compound of formula (I)



where X represents O or S; R^3 when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, heteroaralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxycarbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives

amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxycarbonyl, aryloxycarbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or sulfonic acid derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by -(CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1 – 4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R⁵; R⁵ represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R⁵ forms a bond together with R⁴; R⁶ represents hydrogen, or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxycarbonyl, alkylamino-carbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, with a provision that R⁶ does not represent hydrogen when R⁷ represents hydrogen or lower alkyl group; R⁷ represents hydrogen or unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and Y represents NR⁸, where R⁸ represents hydrogen, or unsubstituted or substituted alkyl, aryl, hydroxyalkyl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups; R⁷ and R⁸ together may form a 5 or 6 membered cyclic structure containing carbon atoms, which may optionally contain one or more heteroatoms selected from oxygen, sulfur or nitrogen, prepared according to the process of claim 9.

14 - 23 (Cancel)

24 (Currently amended) A compound according to claim 1 which is selected

from the group consisting of:

- (±)-Ethyl 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoate;
- (±)-2-Ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoic acid;
- (±)-Sodium 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoate;
- [2R, N(1S)] 2-ethoxy-3-[4-[[3-Methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl] -N-(2-hydroxy-1-phenylethyl)propanamide;
- [2S, N(1S)] 2-ethoxy-3-[4-[[3-Methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;
- (+)-2-Ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoic acid;
- (-)-2-Ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoic acid;
- (-)-Sodium 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoate;
- (±)-(Morpholine-4-yl) 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]]methoxy]phenyl]propanamide;
- (±)-2-Ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]-N-(2-fluorophenyl)propanamide;
- (±)-Ethyl 2-methoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoate;
- (±)-2-Methoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoic acid;
- (±)-Ethyl 2-propoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoate;
- (±)-2-Propoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]propanoic acid;
- [2S, N(1S)] 2-propoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]] methoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;
- [2R, N(1S)] 2-Propoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazoliny]]

methoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;
 (±)-Ethyl 2-(n-butoxy)-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]
 methoxy] phenyl]propanoate;
 (±)-2-(n-Butoxy)-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]
 phenyl]propanoic acid;
 (±)-Ethyl 2-(n-octyloxy)-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]
 methoxy]phenyl]propanoate;
 (±)-Ethyl 2-benzyloxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]
 methoxy]phenyl] propanoate;
 (±)-2-Benzyloxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]
 phenyl]propanoic acid;
 (±)-Ethyl 2-phenoxy 3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]
 methoxy]phenyl]propanoate;
 (±)-2-Phenoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]
 phenyl]propanoic acid;
 (±)-Ethyl 2-(2-methoxyethoxy)-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-
 quinazolinyl]methoxy]phenyl]propanoate;
 (±)-2-(2-Methoxyethoxy)-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]
 methoxy]phenyl]propanoic acid;
 (±)-Ethyl 2-ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl] ethoxy]
 phenyl]propanoate;
 (±)-2-Ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]ethoxy] phenyl]
 propanoic acid;
 [2R, N(1S)] 2-ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]
 ethoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;
 [2S, N(1S)] 2-ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]
 ethoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;
 (+) -2-Ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]ethoxy]
 phenyl]propanoic acid;
 (-)-2-Ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]ethoxy]
 phenyl]propanoic acid;
 (+)-Ethyl 2-ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazolinyl]ethoxy]

phenyl]propanoate;

(-)-Ethyl 2-ethoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy] phenyl]propanoate;

(±)-Ethyl 2-ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny]ethoxy] phenyl]propanoic acid;

[2R, N(1S)] 2-ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;

[2S, N(1S)] 2-ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]-N-(2-hydroxy-1-phenylethyl)propanamide;

(+) -2-Ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy] phenyl]propanoic acid;

(-)-2-Ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny]ethoxy] phenyl]propanoic acid;

(+)-Ethyl 2-ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]propanoate;

(-)-Ethyl-2-ethoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]propanoate;

(±)-Ethyl 2-ethoxy-3-[4-[2-[4-oxo-3,4-dihydro-3-quinazoliny]ethoxy] phenyl] propanoate;

(±)-2-Ethoxy-3-[4-[2-[4-oxo-3,4-dihydro-3-quinazoliny]ethoxy]phenyl] propanoic acid;

(±)-Ethyl 2-phenoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]propanoate;

(±)-2-Phenoxy-3-[4-[2-[2-ethyl-4-oxo-3,4-dihydro-3-quinazoliny]ethoxy] phenyl]propanoic acid;

(±)-Ethyl 2-phenoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny] ethoxy]phenyl]propanoate;

(±)-2-Phenoxy-3-[4-[2-[2-methyl-4-oxo-3,4-dihydro-3-quinazoliny]ethoxy] phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-phenyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoate;

(±)-Ethyl 2-ethoxy-3-[4-[[3-phenyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[[3-phenyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy] phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-6,7-dimethoxy-2-quinazolinyl]methoxy]phenyl]propanoate;

(±)- 2-Ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-6,7-dimethoxy-2-quinazolinyl]methoxy] phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-(4-methylphenyl)-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy] phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[[3-(4-methylphenyl)-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-(4-methoxyphenyl)-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy] phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[[3-(4-methoxyphenyl)-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-benzyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[[3-benzyl-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy] phenyl]propanoic acid;

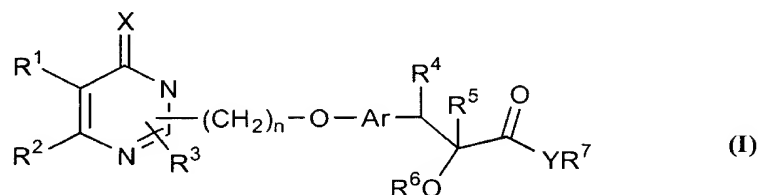
(±)-Ethyl 2-ethoxy-3-[4-[[3-(3-chlorophenyl)-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy]phenyl]propanoate;

(±)-2-Ethoxy-3-[4-[[3-(3-chlorophenyl)-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoic acid;

(±)-Ethyl 2-ethoxy-3-[4-[[3-(3-chloro-4-fluorophenyl)-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy]phenyl]propanoate; and

(±)-2-Ethoxy-3-[4-[[3-(3-chloro-4-fluorophenyl)-4-oxo-3,4-dihydro-2-quinazolinyl] methoxy]phenyl]propanoic acid.

25. (Previously presented) A pharmaceutical composition which comprises a compound of formula (I)



as defined in claim 1, and a pharmaceutically acceptable carrier, diluent, excipient or solvate.

26. (Original) A pharmaceutical composition as claimed in claim 25, in the form of a tablet, capsule, powder, syrup, solution or suspension.

27. (Previously presented) A method of preventing or treating hyperlipemia, hyper-cholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or diseases in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound of formula (I) as defined in claim 1 to a patient in need thereof.

28. (Original) A method according to claim 27, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hypertension, obesity, atherosclerosis, hyperlipidemia, coronary artery disease and other cardiovascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

29. (Previously presented) A method according to claim 28, for the treatment or prophylaxis of disorders related to Syndrome X, which comprises administering an agonist of PPAR α , PPAR γ or a mixture thereof of formula (I).

30. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma comprising an effective amount of compound of formula (I) as defined in claim 1 to a patient in need thereof.

31. (Previously presented) A method of preventing or treating hyperlipemia, hyper-cholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or diseases in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound of formula (I) as defined in claim 1, in combination/concomittant with HMG CoA reductase inhibitors, fibrates, nicotinic acid, cholestyramine, colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.

32. (Original) A method according to claim 31, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hypertension, obesity, atherosclerosis, hyperlipidemia, coronary artery disease and other cardiovascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

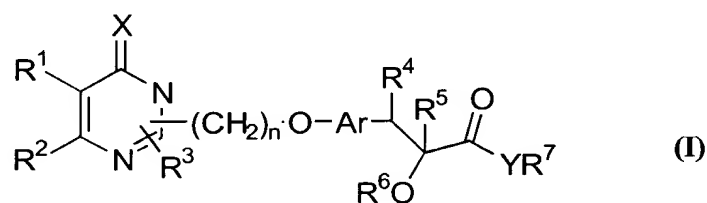
33. (Original) A method according to claim 32, for the treatment or prophylaxis of disorders related to Syndrome X, which comprises administering a compound of formula (I) in combination with HMG CoA reductase inhibitors, fibrates, nicotinic acid,

cholestyr-amine, colestipol or probucol which may be administered together or within such a period as to act synergistically together.

34. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma, which comprises administering a compound of formula (I) claimed in claim 1 in combination/concomittant with HMG CoA reductase inhibitors or fibrates or nicotinic acid or cholestyramine or colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.

35 - 64. (Cancel)

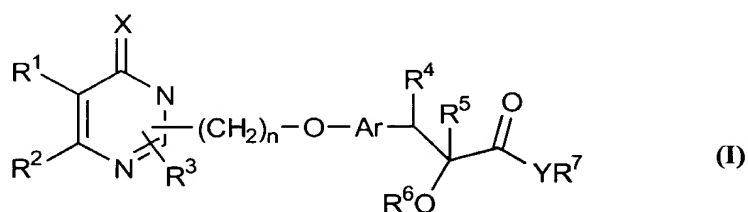
65. (Currently amended) A process for the preparation of compound of formula (I)



where X represents O or S; R³ when present on carbon atom, represents hydrogen, halogen, hydroxy, nitro, cyano, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aryloxy, aralkyl, aralkoxy, heterocyclyl, heteroaryl, heteroaralkyl, heteroaryloxy, hetero-aralkoxy, acyl, acyloxy, hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, alkoxycarbonyl, aryloxy carbonyl, aralkoxycarbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl, alkoxycarbonylamino, aryloxy carbonylamino, aralkoxycarbonylamino, carboxylic acid or its derivatives amides, or sulfonic acid or its derivatives SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; R¹ and R² along with the adjacent atoms to which they are attached form a phenyl group; R³ when attached to nitrogen atom represents hydrogen, hydroxy, formyl or unsubstituted or substituted groups selected from alkyl, cycloalkyl, alkoxy, cycloalkoxy, aryl, aralkyl, heterocyclyl, heteroaryl, heteroaralkyl, acyl, acyloxy,

hydroxyalkyl, amino, acylamino, monoalkylamino, dialkylamino, arylamino, aralkylamino, aminoalkyl, aryloxy, aralkoxy, heteroaryloxy, heteroaralkoxy, alkoxy-carbonyl, aryloxy-carbonyl, aralkoxy-carbonyl, alkoxyalkyl, aryloxyalkyl, aralkoxyalkyl, alkylthio, thioalkyl groups, amides of carboxylic acid derivatives, or ~~sulfonic acid derivatives~~ SO₂NH₂, SO₂NHMe, SO₂NMe₂, or SO₂NHCF₃; the linking group represented by -(CH₂)_n-O- may be attached either through nitrogen atom or through carbon atom where n is an integer ranging from 1–4; Ar represents an unsubstituted or substituted divalent phenylene group; R⁴ represents hydrogen atom, hydroxy, alkoxy, halogen, lower alkyl, unsubstituted or substituted aralkyl group or forms a bond together with the adjacent group R⁵; R⁵ represents hydrogen, hydroxy, alkoxy, halogen, lower alkyl group, acyl, unsubstituted or substituted aralkyl or R⁵ forms a bond together with R⁴; R⁶ represents unsubstituted or substituted groups selected from alkyl, cyclo-alkyl, aryl, aralkyl, alkoxyalkyl, alkoxycarbonyl, aryloxy-carbonyl, alkylaminocarbonyl, arylaminocarbonyl, acyl, heterocyclyl, heteroaryl, or heteroaralkyl groups, R⁷ represents hydrogen and Y represents oxygen atom, which comprises: hydrolysing a compound of formula (I) as defined in claim 7, where R⁷ represents unsubstituted or substituted groups selected from alkyl, cycloalkyl, aryl, aralkyl, heterocyclyl, heteroaryl, or heteroaralkyl groups and all other symbols are as defined earlier.

66. (Previously presented) A pharmaceutical composition which comprises a compound of formula (I)



as defined in claim 24 and a pharmaceutically acceptable carrier, diluent, excipient or solvate.

67. (Previously presented) A pharmaceutical composition as claimed in claim 66,

in the form of a tablet, capsule, powder, syrup, solution or suspension.

68. (Previously presented) A method of preventing or treating hyperlipemia, hypercholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or diseases in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound of formula (I) as defined in claim 24.

69. (Previously presented) A method according to claim 68, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hypertension, obesity, atherosclerosis, hyperlipidemia, coronary artery disease and other cardio-vascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

70. (Previously presented) A method according to claim 69, for the treatment or prophylaxis of disorders related to Syndrome X, which comprises administering an agonist of PPAR α , PPAR γ or a mixture thereof of formula (I).

71. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma comprising an effective amount of compound of formula (I) as defined in claim 24, to a patient in need thereof.

72. (Previously presented) A method of preventing or treating hyperlipemia, hypercholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or diseases in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound of formula (I)

as defined in claim 24, in combination/concomittant with HMG CoA reductase inhibitors, fibrates, nicotinic acid, cholestyramine, colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.

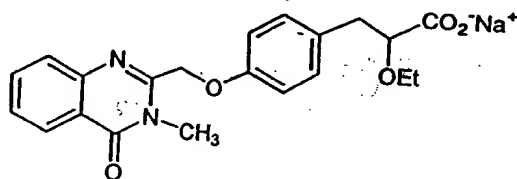
73. (Previously presented) A method according to claim 72, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hyper-tension, obesity, atherosclerosis, hyperlipidemia, coronary artery disease and other cardio-vascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

74. (Previously presented) A method according to claim 73, for the treatment or prophylaxis of disorders related to Syndrome X, which comprises administering a compound of formula (I) in combination with HMG CoA reductase inhibitors, fibrates, nicotinic acid, cholestyramine, colestipol or probucol which may be administered together or within such a period as to act synergistically together.

75. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma, which comprises administering a compound of formula (I) claimed in claim 24, in combination/concomittant with HMG CoA reductase inhibitors or fibrates or nicotinic acid or cholestyramine or colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.

76. (Previously presented) A method according to claim 74, for the treatment of prophylaxis of disorders related to Syndrome X, which comprises administering an agonist of PPAR α , PPAR γ or a mixture thereof of formula (I).

77. (Previously presented) (\pm)-Sodium 2-ethoxy-3-[4-[[3-methyl-4-oxo-3,4-dihydro-2-quinazolinyl]methoxy]phenyl]propanoate



78. (Previously presented) A pharmaceutical composition which comprises the compound of claim 77 and a pharmaceutically acceptable carrier, diluent or solvate.

79. (Previously presented) The pharmaceutical composition as claimed in claim 78, in the form of a tablet, capsule, powder, syrup, solution or suspension.

80. (Previously presented) A method of preventing or treating hyperlipemia, hypercholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or a disease in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound as defined in claim 77 to a patient in need thereof.

81. (Previously presented) A method according to claim 80, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hypertension, obesity, atherosclerosis, hyperlipidemia, coronary artery disease and other cardiovascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

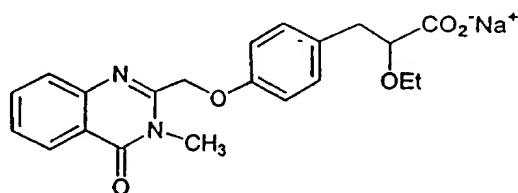
82. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma comprising

administering an effective amount of compound of formula (I) as defined in claim 77, to a patient in need thereof.

83. (Previously presented) A method of preventing or treating hyperlipemia, hypercholesteremia, hyperglycemia, osteoporosis, obesity, glucose intolerance, leptin resistance, insulin resistance, or diseases in which insulin resistance is the underlying pathophysiological mechanism comprising administering a compound of formula (I) as defined in claim 77, in combination/concomittant with HMG CoA reductase inhibitors, fibrates, nicotinic acid, cholestyramine, colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.

84. (Previously presented) A method according to claim 83, wherein the disease is type II diabetes, impaired glucose tolerance, dyslipidaemia, disorders related to Syndrome X such as hypertension, obesity, atherosclerosis, hyperlipidaemia, coronary artery disease and other cardiovascular disorders, certain renal diseases including glomerulonephritis, glomerulosclerosis, nephrotic syndrome, hypertensive nephrosclerosis, retinopathy, nephropathy, disorders related to endothelial cell activation, psoriasis, polycystic ovarian syndrome (PCOS), useful as aldose reductase inhibitors, for improving cognitive functions in dementia and treating diabetic complications, osteoporosis, inflammatory bowel diseases, myotonic dystrophy, pancreatitis, arteriosclerosis, xanthoma or cancer.

85. (Previously presented) A method according to claim 84, for the treatment of prophylaxis of disorders related to Syndrome X, which comprises administering a compound of the formula,



in combination HMG CoA reductase inhibitors, fibrates, nicotinic acid, cholestyramine, colestipol or probucol which may be administered together or within such a period as to act synergistically together.

86. (Previously presented) A method of reducing plasma glucose, triglycerides, total cholesterol, LDL, VLDL and free fatty acids in the plasma, which comprises administering a compound of formula (I) claimed in claim 77, in combination/concomittant with HMG CoA reductase inhibitors or nicotinic acid or cholestyramine or colestipol or probucol which may be administered together or within such a period as to act synergistically together to a patient in need thereof.